
SUBSTITUTE HOUSE BILL 1921

State of Washington 59th Legislature 2005 Regular Session

By House Committee on Appropriations (originally sponsored by Representatives Schual-Berke and Bailey)

READ FIRST TIME 03/07/05.

1 AN ACT Relating to the quality maintenance fee on nursing facility
2 operators; amending RCW 74.46.091; and creating a new section.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 74.46.091 and 2003 1st sp.s. c 16 s 4 are each amended
5 to read as follows:

6 (1) By July 1st of each year, each nursing facility operator shall
7 file a report with the department of social and health services listing
8 the patient days and the gross income for the prior calendar year for
9 each nursing facility that he or she operates.

10 (2) By August 1, 2003, the department of social and health services
11 shall submit for approval to the federal department of health and human
12 services a request for a waiver pursuant to 42 C.F.R. 433.68. The
13 waiver shall identify the nursing facilities that the department
14 proposes to exempt from the quality maintenance fee. Those facilities
15 shall include at least:

16 (a) Nursing facilities operated by any agency of the state of
17 Washington;

18 (b) Nursing facilities operated by a public hospital district; and

1 (c) As many nursing facilities with no or disproportionately low
2 numbers of medicaid-funded residents as, within the judgment of the
3 department, may be exempted from the fee pursuant to 42 C.F.R. 433.68.

4 (3) By August 1, 2005, the department of social and health services
5 shall submit for approval to the federal department of health and human
6 services a waiver amendment pursuant to 42 C.F.R. 433.68. The
7 amendment shall, within the judgment of the department, attempt to
8 designate nursing facilities identified as institutions for mental
9 disease with state-funded contracts as exempt from the quality
10 maintenance fee.

11 (4) The department of social and health services shall notify the
12 department of revenue and the nursing facility operator of the nursing
13 facilities that would be exempted from the quality maintenance fee
14 pursuant to the waiver request submitted to the federal department of
15 health and human services. The nursing facilities included in the
16 waiver request may withhold payment of the fee pending final action by
17 the federal government on the request for waiver.

18 ~~((+4))~~ (5) If the request for waiver is approved, the department
19 of social and health services shall notify the department of revenue
20 and the nursing facility operator that no quality maintenance fee is
21 due from the facility. If the request for waiver is denied, nursing
22 facility operators who have withheld payment of the fee shall pay all
23 such fees as have been withheld. No interest or penalties shall be due
24 upon such withheld payments for the period during which final federal
25 action was pending.

26 ~~((+5))~~ (6) The department of social and health services shall take
27 whatever action is necessary to continue the waiver from the federal
28 government.

29 ~~((+6))~~ (7) The department of social and health services may adopt
30 such rules, in accordance with chapter 34.05 RCW, as necessary to
31 provide for effective administration of this section and RCW 74.46.535.

32 NEW SECTION. Sec. 2. Section 1 of this act applies retroactively
33 to July 1, 2003, unless the federal department of health and human
34 services disapproves the department of social and health services'
35 amended waiver request.

--- END ---